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## **REMARKS/ARGUMENTS**

The specification was filed in 2001 without using paragraph numbers for paragraphs of the specification. Applicant in good faith wishes to respond to the Examiner's objections to the specification by making amendments to the specification to remove the bold-faced and/or underlined formatting in an unambiguous way. In attempting to do so, Applicant has pointed out where the affected text is on each page using a combination of page number and line number, along with the requested amendment.

Similarly, Applicant has amended the specification to make reference to reference number 200 of Fig. 2 and reference number 1215 of Fig. 12, as requested by the Examiner. In one case, this amendment involves adding obvious verbiage such as "arrangement 200." In other cases, the amendments involve correcting obvious typographical errors. These amendments are made by replacing paragraphs, with each paragraph being specified in an unambiguous manner using the combination of page number and line number. It is respectfully submitted that no new matter is added by these amendments.

Claims 1 and 4 have been amended. In these claims, the word "file" has been removed to remove possible confusion regarding whether the entire file has to be received before optimization can take place. The removal of the word "file" clarifies that optimization can take place on the fly as data is transmitted between the first communication channel and the second communication channel.

In particular, claim 1 has been amended to point out that the optimization processor is capable of performing any one of four actions depending on whether the second data is ascertained to be compressible and a candidate for encryption. Support for this amended feature can be found in, for example, Fig. 10 of the specification and the accompanying discussion. For example, both compression and encryption may take place, in that sequence, if the second data is found to be compressible and a candidate for encryption (see amended claim 1 and blocks 1108/1110 of Fig. 10).

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It is respectfully submitted that this amended feature is neither disclosed nor suggested by

Venters et al. (USP 5,805,600), alone or in combination with Ellersick et al. (USP 6,038,226).

Accordingly, the rejection of claim 1 should now be withdrawn.

Claim 4 depends from amended claim 1 and further has similarly been amended for the

decompression/decryption side of the optimization processor. (See amended claim 1 and blocks

1132/1134 of Fig. 10). Accordingly, the allowance of claim 4 is respectfully requested as well.

Claim 2-3 depend from amended claim 1 and further recites other independently

patentable features. Accordingly, the allowance of claims 2 and 3 is also respectfully solicited.

Claims 5-29 are new. No new matter is added since support for these claims can be

found in the application as filed. It is respectfully submitted that these claims are also not

disclosed or suggested by Venters et al., alone or in combination with Ellersick et al.

Accordingly, the allowance of claims 5-29 is also respectfully solicited.

Applicant believes that all pending claims are allowable and respectfully requests a

Notice of Allowance for this application from the Examiner. Should the Examiner believe that a

telephone conference would expedite the prosecution of this application the undersigned can be

reached at the telephone number set out below.

The Commissioner is authorized to charge any additional fees to process this

Amendment, or credit any over-payments that may apply, to our Deposit Account No. 50-2284

(Order No. ANTA-P001).

Respectfully submitted,

Joseph A. Nguyen

Registration No. 37,899

Tel: 408-257-5500